

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re DELTA AIR LINES, INC. et al.,

Debtors.

KENTON COUNTY BONDHOLDERS COMMITTEE,

Appellants,

- against -

DELTA AIR LINES, INC. et al.,

Appellees.

Chapter 11

05-B-17923 (ASH)

USDS SDNY
DOCUMENT
ELECTRONICALLY FILED

DOC #: _____

DATE FILED: 6/26/07

07 Civ. 3968 (JGK)

07 Civ. 4148 (JGK)

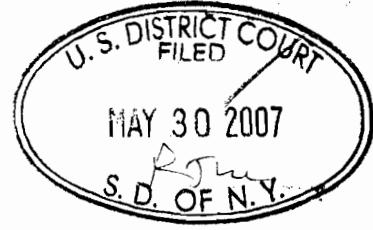
ORDER

JOHN G. KOELTL, District Judge:

The Clerk is directed to docket the attached Scheduling Stipulation and Order, which was previously entered in the miscellaneous docket M-47 for the Delta Bankruptcy matter, in the files for both Case No. 07 Civ. 3968 and Case No. 07 Civ. 4148, in keeping with the request of the parties.

SO ORDERED.

Dated: New York, New York
June 26, 2007
John G. Koeltl
United States District Judge

DOC # 315UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re)	Chapter 11
DELTA AIR LINES, INC., <u>et al.</u> ,)	Case No. 05-17923 (ASH)
Debtors.)	Jointly Administered
<hr/>		
KENTON COUNTY BONDHOLDERS)	
COMMITTEE)	
Appellants.)	<u>M-47 (JGK)</u> ←
<hr/>		
v.)	
DELTA AIR LINES, INC., <u>et al.</u> ,)	
Appellees.)	
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STIPULATION AND ORDER REGARDING APPEALS

The seven members of the Ad Hoc Committee of Kenton County Bondholders (the “Appellants”)¹ having appealed from (i) the Order Granting Debtors’ Motion for Entry of an Order (I) Approving Settlement Agreement Pursuant to Federal Rule of Bankruptcy Procedure 9019, (II) Approving the Rejection of Certain Agreements under Section 365 and (III) Authorizing the Entry into Certain New Agreements under Section 363 (the “Settlement Order”) and (ii) the Order Confirming Debtors’ Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code (the “Confirmation Order”), each entered by the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) in the above captioned chapter 11 cases of Delta Air Lines, Inc. and its affiliated debtors (collectively, the “Debtors”);

¹ The Appellants are Xerion Partners, Bergen Capital, Moses Marx, Phil Lucas, Roger Smith, Carty & Company, Inc. and Duncan-Williams, Inc.

and the parties having agreed to the following appeal schedules and other related matters as set forth herein; and sufficient cause appearing therefor, it is hereby

ORDERED that a schedule for the appeal of the Settlement Order (the "Settlement Appeal") will be established such that:

- (1) the Debtors, UMB Bank, N.A., as Trustee, the Kenton County Airport Board and the Post-Effective Date Committee (collectively, the "Appellees") shall serve and file any counter-designation of the record no later than May 18, 2007;
- (2) the Appellants shall serve and file their opening brief no later than May 30, 2007 at noon (prevailing eastern time);
- (3) the amici, if any, supporting the Appellants' positions shall serve and file a motion for authority to file an amicus brief (with a final copy of the proposed amicus brief attached) no later than May 30, 2007 at noon (prevailing eastern time);
- (4) the Appellees shall each serve and file their respective opening briefs no later than June 22, 2007;
- (5) the amici, if any, supporting the Appellees' positions shall serve and file a motion for authority to file an amicus brief (with a final copy of the proposed amicus brief attached) no later than June 22, 2007;
- (6) the Appellants may serve and file a reply brief no later than June 29, 2007;
- (7) the opening brief filed by the Appellants and each Appellee (which, in lieu of separate motions to dismiss, shall include any arguments relating to mootness

and/or equitable mootness) shall be no longer than forty (40) pages in length, and any reply brief shall be no longer than fifteen (15) pages in length;

(8) this Court will hear oral argument on the Settlement Appeal on July 27,
~~at 3:00 p.m.~~
 2007; and it is further

ORDERED that a schedule for the appeal of the Confirmation Order (the "Confirmation Appeal") will be established such that:

(1) the Appellants shall serve and file their designation of the record and issues on

appeal no later than May 14, 2007 (with no need to redesignate any record

items already designated by any party as part of the record on the Settlement

Appeal);

(2) the Appellees shall serve and file any counter-designation of the record no

later than May 21, 2007;

(3) briefing on the Confirmation Appeal shall be suspended until after the final

resolution of the Settlement Appeal by the entry of a final non-appealable

order by the highest court to which the Settlement Order is appealed or from

which certiorari is sought (the "Final Settlement Order");

(4) if and only if the Final Settlement Order affirms the Settlement Order in toto,

the Confirmation Appeal shall automatically be deemed irrevocably

withdrawn with prejudice and Appellants shall, within three (3) days of the

entry of such Final Settlement Order, formally withdraw the Confirmation

Appeal irrevocably and with prejudice;

(5) if and only if the Settlement Order is reversed or vacated (in whole or in part)

by the Final Settlement Order, the Confirmation Appeal shall proceed and the

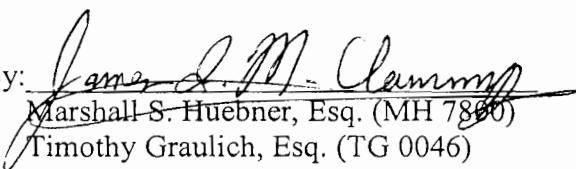
parties shall submit to the Court, within ten (10) days of the entry of such Final Settlement Order, a proposed scheduling order for the briefing of the Confirmation Appeal, provided, however, that (i) Appellants irrevocably agree that the Confirmation Appeal shall be limited exclusively to seeking to void or excise (solely as to UMB Bank, as Trustee, and its respective affiliates, officers, directors, employees, advisors, professionals and agents, and solely on behalf of the seven Appellants and with respect to the 1992 Bond Indenture) the exculpations set forth in paragraph 83 of the Confirmation Order and Section 13.5 of the Debtors' Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code (the "Plan"), and (ii) Debtors and KCAB each agree solely for themselves and their respective affiliates, officers, directors, employees, advisors, professionals and agents that, in such event, they will not assert or rely upon the exculpations set forth in paragraph 83 of the Confirmation Order and/or Section 13.5 of the Plan as affirmative defenses in any action asserting a Released Claim, as defined in the Settlement Agreement, commenced by any of the parties hereto against the Debtors; and it is further

ORDERED that the Appellants' motion for an expedited appeal of the Settlement Appeal is hereby withdrawn, without prejudice; and it is further

ORDERED that nothing in this Stipulation and Order shall in any way prejudice the ability of any party hereto to raise any argument or to cite to any documents, evidence or proceedings before the Bankruptcy Court in support of their respective positions in either the Settlement Appeal or the Confirmation Appeal.

AGREED TO BY:

Dated: May 15, 2007

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(2012) 37:2 1002–1022 (REVIEW)

**Attorneys for the Post-Effective Date
Committee of Delta Air Lines, Inc.**

Committee of Delta Air Lines, Inc., et al.

Dated: May ___, 2007

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Dated: May 15, 2007

By: _____


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Attorneys for UMB Bank, N.A., as Trustee

SO ORDERED:

Dated: May 17, 2007

By: J. G. Koeltl
HONORABLE JOHN G. KOELTL,
UNITED STATES DISTRICT COURT JUDGE